Misuse of Soft Loan

*267. SHRI MADHUKAR SARPOTDAR : Will the Minister of AGRICULTURE be pleased to state :

(a) whether the National Horticulture Board has ordered a probe into the alleged misuse of its soft loan scheme meant to promote the horticulture and floriculture in the country;

(b) if so, the outcome of the probe; and

(c) the action taken by the Government against those found guilty?

THE MINISTER OF AGRICULTURE (EXCLUDING THE DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING) (SHRI CHATURANAN MISHRA) : (a) to (c) Few cases of irregular disbursement of loan have come to the notice of the National Horticulture Board (NHB). The NHB is inquiring into the matter.

[Translation]

Procurement, Storage and Transportation Cost of Foodgrains

*268. SHRIMATI SHEELA GAUTAM
SHRI RAMESHWAR PATIDAR :

Will the Minister of FOOD be pleased to state :

(a) the per quintal expenditure incurred by the Food Corporation of India on the procurement, storage and transportation of foodgrains during 1994-95, 1995-96 and 1996-97 so far;

(b) whether the transportation and storage cost of the Foodgrains has been constinuously increasing;

(c) if so, the reasons therefor; and

(d) the steps being taken by the Government to check the rise?

THE MINISTER OF FOOD AND MINISTER OF CIVIL SUPPLIES CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI DEVENDRA PRASAD YADAV) : (a) The expenditure per quintal incurred by the FCI on procurement, storage and transportation of foodgrains (wheat and rice taken together) during 1994-95 and 1995-96 is as under. The expenditure for the year 1996-97 will be known only after finalisation of accounts of the year :

(Rupees per quintal)

Expenditure on	1994-95	1995-96
(i) Procurement incidentals on foodgrains procured	72.31	74.43
(ii) Storage cost	7.94	10.97
(iii) Transportation cost on quantities moved	50.10	50.27

(b) and (c) Apart from normal inflation, the unit storage cost has shown on increase due to provision of arrears of pay to godown staff and due to lower storage capacity utilisation in 1995-96 as compared to 1994-95. Unit transportation cost on the actual quantity moved has remained more or less constant during 1994-95 and 1995-96.

(d) The following are amongst the important steps taken to check the rise :

(a) FCI is trying to ahieve average storage capacity utilisation of 75% as against the utilisation of 51% as on 1.11.1996.

(b) Government has issued directions to FCI with a view to effect economy in its operations.

(c) The procurement-movement ratio is being maintained at 1:1.35 as fixed by Government to reduce the expenditure in freight.

[English]

Taking over of Fertilizer Units

*269. SHRI MEHBOOB ZAHEDI :
SHRI BASUDEB ACHARIA :

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) whether the profit making fertilizer companies like IFFCO, KRIBHCO, NFL etc. are being asked to take over some units of the Hindustan Fertilizer Corporation and Fertilizer Corporation of India;

(b) if not, the reasons thereof; and

(c) whether the Government are proposing to revive the plants of HFC and FCI?

THE MINISTER OF STATE OF THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SIS RAM OLA) : (a) and (b). The option of takeover of the units of Fertilizer Corporation of India Limited (FCI) and Hindustan Fertilizer Corporation Limited (HFC) by any of the profit making fertilizer undertakings, including IFFCO, KRIBHCO and NFL, was explored by the Government. Because of the prior commitments of these undertakings towards their own ongoing expansion projects and joint ventures for augmenting the fertilizer production capacity, no such proposal could meterialise.

(c) The revival packages of FCI and HFC were approved, in principle, in April, 1995. These packages envisaged the revamp of Sindri, Ramagundam and Talcher units of FCI and Durgapur, Barauni and Namrup units of HFC, entailing a fresh investment of Rs. 2201.13 crore at 1994 price levels, apart from capital restructuring and financial reliefs to the undertakings. The funding arrangement for these packages could, however, not be tied up. An expert Group was, therefore, constituted to reformulate the revival packages. The Group appointed